



**សហគមន៍ធនាគារកម្ពុជា**  
**THE ASSOCIATION OF BANKS IN CAMBODIA**

# BANKING AND FINANCE NEWSLETTER IN NOVEMBER-DECEMBER 2022



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## ACTIVITIES/EVENTS

### The Fourth FinTech Take-up touched on Global FinTech and its adoption opportunities in Cambodia

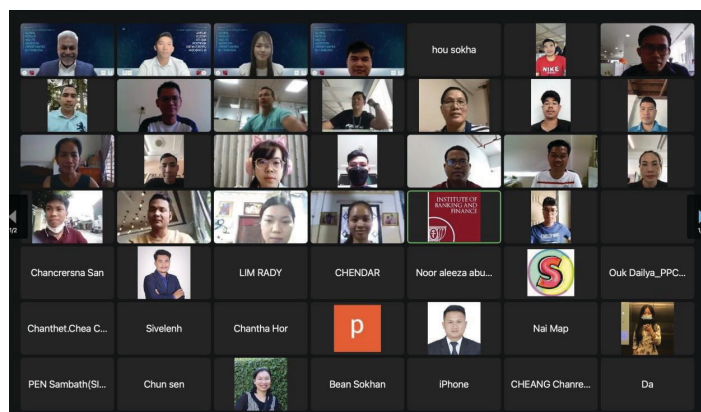
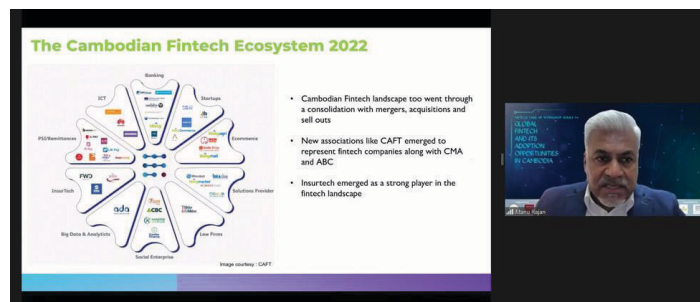
On Saturday, November 19, 2022, the Institute of Banking and Finance (IBF) and the Association of Banks in Cambodia (ABC) held the fourth series of FinTech take-up workshops, focusing on Fintech and its global adoption in Cambodia.

The workshop, which was conducted via Zoom, was attended by more than 100 representatives from various local banking and financial institutions. The workshop aimed to raise participants' awareness of the latest local and global Fintech trends as well as uplift the skills of BFI staff and knowledge in relevant fields.

In her opening remarks, Madam DITH Nita, Vice-Chair of the Education Committee at the Association of Banks in Cambodia, said the workshop would help members adopt and move to the next frontier of financial technology, with the purpose of advancing our banking industry toward the regional and international best practices.

Mr. SOU Visal, IBF General Manager, mentioned the importance of the fast-changing landscape of Fintech and how it affects the economic growth of the country. He encouraged BFIs to stay updated with the trends and be more innovative since technological changes are accelerating in ways beyond everyone's expectations.

Also, it was an honor to have Mr. Manu RAJAN, Division CEO, Wing Division, as our guest speaker for this FinTech knowledge sharing. In his presentation, Mr. Manu reminded BFIs "not to lose sight of the purpose while staying process- and result-oriented". He also motivated the attendees to have open mindsets and adapt to new technological advancements, which lead to the economic growth.



### Sustainable Finance Sharing Session from BOCHK

The delegations from Bank of China (Hong Kong) (BOCHK) on November 25, 2022, held a sharing session on Sustainable Best Practices, Challenges, and Opportunities in the adoption of Sustainable Finance to the Sustainable Finance Committee of the Association of Banks in Cambodia (ABC).

The ABC Sustainable Finance Committee (SF Committee) was headed by Ms. Elsie GUNG, Chairperson of the SF Committee and Deputy CEO of the Bank of China (Hong Kong) Limited Phnom Penh Branch, while the delegation from BOCHK was led by Dr. Kang QU, Deputy GM of Strategic Planning Department, Ms. REN Peilin, Managing Director of Sustainability Strategy of BOCHK. More than 60 SF Committee members attended the session.

The session began with welcome remarks by the Chairperson of the ABC Sustainable Finance Committee, Ms. Elsie GUNG. She also made a presentation on the progress, challenges, and opportunity of the Cambodian Sustainable Finance Initiatives (CSFI).

The CSFI intends to Design, Agree and Establish an Environmental and Social Risk Management framework that would be adopted by banks and guide them in their lending practice. She added that the CSFIs aimed at minimizing or avoiding environmental and social risks created through private-sector lending.





## ACTIVITIES/EVENTS

### Sustainable Finance Sharing Session from (CONT'D)



Ms. Elsie also presented to guests the nine Cambodian Sustainable Finance Principles, comprising environment protection, financial literacy, financial innovation, culture protection, transparency & accountability, financial inclusion, people protection, environmental & Social Footprints, and environmental & social standards. She also stressed that in 2022 the CSFIs focuses on public awareness and capacity building. Ms. Elsie added that 47 ABC members (including CMA) voluntarily signed to adopt the 9 Cambodian Sustainable Finance principles following its launch in September 2019.

Dr. Kang QU, Deputy GM of the Strategic Planning Department of BOCHK, talked about the Sustainability Landscape, Introduction to BOCHK, BOCHK's Sustainability Strategy, and BOCHK's sustainability practices, challenges, and opportunities.

In the presentation, he touched on BOCHK's six sustainability practices and principles with member banks in Cambodia, which are setting up a governance structure, building a sustainable finance ecosystem, establishing sustainability risk management, setting up a roadmap to reduce carbon footprint, enhancing disclosure to improve visibility, and external engagement to increase impacts.

Dr. Kang also highlighted industry-wide challenges. Given the unique characteristics of climate change and ESG considerations, globally the markets are faced with some key challenges which require cross-sectors and private-regulator collaborations to overcome.

These include poor ESG awareness or misunderstanding, absence of internationally harmonized green standards, greenwashing risks with the rapid developments of sustainable finance, non-traditional finance knowledge and talents, and data gaps in counterparty or geographical climate risks.

### SMEs Remain an Integral & Critical part of Cambodia's Economic Growth



On December 05, 2022, Mr. Raymond SIA, Chairman of the Association of Banks in Cambodia, attended SME Bank Cambodia's achievement of SME Co-Financing Schemes and award ceremony.

This was in recognition of the support from participating financial institutions (PFIs) in SME Bank Cambodia's successfully execution of its Co-financing schemes. The event was presided over by H.E PHAN Phalla, Secretary of State at the Ministry of Economy and Finance.

In his congratulatory remarks, Mr. SIA said SMEs remain an integral and critical part of Cambodia's economic growth, both present and the future.

"We all know the importance of SMEs to the overall economy of Cambodia and it's heartening to see the active participation of our Financial Institutions in Financing Schemes customized specifically for our SMEs.

"In my capacity as ABC Chairman and representing our member banks & PFIs, we are appreciative to the Ministry of Economy and Finance and the Management of the SME Bank of Cambodia for striving for a better distribution of financing," Mr. SIA added.

As of the End-October 2022, SME Bank Cambodia disbursed approximately \$423 million in loans to 3,165 SMEs through three SME Bank projects as a number of enterprises were affected by Covid-19.







## ACTIVITIES/EVENTS

### We Must Go Together, Together We are Much Stronger, say H.E CHEA Chanto, NBC's Governor

More than 500 bankers from the National Bank of Cambodia (NBC), banks and microfinance institutions are members of the Association of Banks in Cambodia (ABC), Cambodia Microfinance Association (CMA) and the Cambodian Association of Finance & Technology (CAFT) gathered at the 2022 Annual Bankers' Dinner in Sofitel Phnom Penh Phokeethra on December 15, 2022, to celebrate the successful year of banking and finance industries. The Annual Bankers' Dinner was presided over by His Excellency CHEA Chanto, Governor of NBC.

In his welcome remarks, ABC Chairman Mr. SIA said 'Cooperation, Collaboration and Capacity Building' (3Cs) are the cornerstones of ABC. In light humor, the dinner gathering of bankers from both the public and private sector agreed to the addition of another C — Celebration — to the three Cs. The gathering continues to build on the key agendas such as financial inclusion, financial access, building capacity, sustainable finance leveraging on digital technology in the spirit of cooperation and collaboration. "Let's celebrate the success of the country's banking and finance sector! Let's celebrate a successful end to this year despite all the challenges and headwinds. Let's all celebrate responsibly tonight!" said Raymond in light of the challenges and proactive measures undertaken by the Royal Government of Cambodia and NBC to support the economy towards resilience and sustainability.

In his opening remarks, H.E. CHEA Chanto acknowledged stakeholders' efforts and contributions in making the Cambodian banking system stable and sound. He said the presence of distinguished guests at the Bankers' Annual Dinner was a testimony of the friendship and strong cooperation within the banking family, which have come together to celebrate the achievement over the years. H.E Chanto added: "I would like to encourage banking and financial institutions to continue providing good cooperation with the National Bank of Cambodia and assuring compliance with existing law and prudential regulations, especially by paying more attention to managing risks that could occur during post-pandemic for both institution development and soundness of the system."

He said BFIs "must go together because together we are much stronger" which foregrounds integration as the right path. In the first half of 2022, Raymond said current assets in Cambodia's banking system rose to \$75 million, an increase of 17 percent from June 2021. Outstanding loans and customers' deposits rose by 23 percent year-on-year to \$51 billion and 16 percent to about \$42 billion respectively. The Credit Bureau Cambodia (CBC) reported that the number of borrowers increased by 270 percent to 4.67 million in 2022 from 1.27 million in 2012.





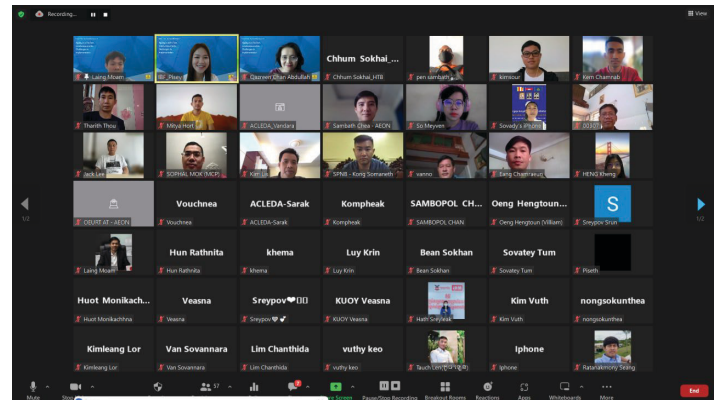


## ACTIVITIES/EVENTS

### Fifth FinTech Take-up Series Workshop Focuses on Agility in FinTech Landscape

The fifth series of FinTech take-up workshops focused on agility in a FinTech landscape and its challenges in implementation. It was organized by the Institute of Banking and Finance (IBF) and the Association of Banks in Cambodia (ABC) and was held on Sunday, December 18, 2022.

The workshop was conducted via Zoom and attended by more than 100 representatives from various local banking and financial institutions. This FinTech workshop was aimed at raising participants' awareness of the importance of becoming more agile and to uplift the skills of BFI staff and knowledge in this field to overcome challenges in the FinTech adoption processes.



Ms. Qazreen CHAN, Chairwoman of the Education Committee, Association of Banks in Cambodia, said the workshop would help members adopt and move to the next frontier of financial technology, with the purpose of advancing the banking industry toward regional and international best practices. "The Education Committee is always proud to initiate and support various activities, such as FinTech workshop series, speaker tour series, responsible lending certification and many other areas to help develop the capacity and competency of professionals in this industry."

An esteemed speaker of the fifth FinTech takeover, Mr. Laing Moam, Chief Digital Officer, Maybank (Cambodia) Plc detailed the models and processes of the agility in FinTech, and reminded participants of its challenges. Not only did Mr Moam share the technical knowledge in this field, but he also provided participants with great advice on how to motivate BFI staff to move forward and adopt agility in their work.

**Quick Review of Agile**  
In 2001, Agile software development is introduced by 17 developers. In 2005, project management principle is amended to guide the agile software project management according agile software development methods.

Timeline of Agile Development:

- 2001: Agile software development
- 2005: Project management principle is amended to guide the agile software project management
- 2009: An extension of software development principles to guide agile software development according to professional conduct and mastery
- 2011: Agile Alliance created the Guide to Agile Practices
- Further development of Agile into other aspects

Participants visible in the grid include: Laing Moam, IBF Pisey, Qazreen Chan Abdullah, IBF GM-Visal Sou, Chhum Sokhai, vanno, ACLEDA-Sarak, SAMBOPOL CH..., Oeng Hengtoun..., Jimi, Sreyov Srun, ACLEDA Vandara, chhour sorinty, Laing Moam, (S.B) Sokhomrem E., Yin Virak, 00307, CHENDAR, Hun Rathnita, khema, Sovady's iPhone, Kern Chamnab, Ban Vathana, Luy Krin, Meach Chanthyda, Bean Sokhan, So Meyven, Sovatey Tum.



## ACTIVITIES/EVENTS

### The last series Speaker Tour shows a fruitful result with KIT's Students.

More than 70 local university students of Kirirom Institute of Technology (KIT) and professors, attended the sixth Speaker Tour Series, organized by the Institute of Banking and Finance (IBF) in collaboration with the Association of Banks in Cambodia (ABC) on Saturday, December 24, 2022, at Kampong Speu province. The tour was supported by VISA.

The purpose of this Speaker Tour Series is to bridge the understanding and practices of the industry's expectations to the students, to provide knowledge on financial literacy, and to introduce career market trends as well as FinTech trends in the banking sector to the students.

In his welcoming remarks, Mr. Leo Fernandez, Vice-President for the Academics of KIT, mentioned the importance of the tour and other workshops to the students, and offered advice on how to make use of the knowledge they gained in their studies and future career.

Mr. HENG Koy, General Manager of the Association of Banks in Cambodia (ABC), highlighted ABC's activities. One of them is the speaker tour series, which uplifts the capability of banking professionals and strengthen and develop the curriculum related to banking and finance through a partnership with several universities in Cambodia.

He said the sharing of experience in relation to the banking sector by industry experts with the next generation of students is crucial and should not be overlooked.

During the tour, we were delighted to have two experts share their insights. The first session by Ms. PEN Voneat, managing director and founder of 606 Digital, covered the technical knowledge of blockchain models, its development process, and a practical case study of Bakong. The knowledge proved beneficial, as students could use it as reference for future studies.

The second session was presented by Mr. MA Kompheak, Head of Data Solutions Department, Canadia Bank. He shared useful information over how data analytics was being used to support business decisions at banks and digital-related jobs in the banking industry. He also shared various sources with students on how to tap and enhance professional growth in relevant fields.



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THE ASSOCIATION OF BANKS IN CAMBODIA

*Season's Greetings  
&  
Happy New Year 2023!*

Aspiring - Building - Capabilities

<https://www.abc.org.kh/>







## HIGHLIGHTS ON BANKING AND FINANCE NEWS

### SME Bank loans top \$410M, help over 3K businesses



The state-owned Small and Medium Enterprise Bank of Cambodia Plc (SME Bank) has disbursed some \$418 million in loans to at least 3,185 small- and medium-sized

enterprises (SME) since its foundation, as of October 31, to keep them from going under during the height of the Covid-19 crisis, and subsequently to help them reopen and expand post-pandemic, according to its CEO. (Phnom Penh Post).

### Cambodia urged to develop green finance ecosystem



Cambodia needs to cultivate a conducive ecosystem for the development of its green finance market and make it sustainable and attractive for potential investors,

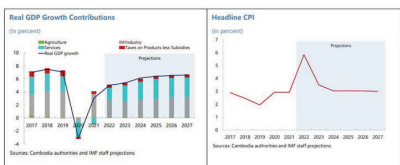
experts said at a forum yesterday while calling upon both the government and the private sector to take the initiatives in view of the urgent need to align future infrastructure and energy projects with climate goals. (Khmer Times).

### Cambodia, Vietnam strengthen banking cooperation



The National Bank of Cambodia (NBC) and the State Bank of Vietnam (SBV) have agreed to strengthen bilateral cooperation through exchange of experience on economy and banking system. (Khmer Times).

### 'Cambodia economic recovery projected to continue'



Despite several international developments hurting the progress, Cambodia's economic recovery is projected to continue in the next year as well, according to the International Monetary Fund (IMF). (Khmer Times).

### Cambodia hosts Asian Regional Credit Reporting Conference



The National Bank of Cambodia (NBC) and Credit Bureau Cambodia (CBC) hosted Regional Credit Reporting Conference on November 17-18, 2022 bringing more than

150 senior leaders and representatives from central banks, ministries, credit bureaus, financial institutions and fintech companies from more than 20 countries. This conference offered an Asia-level public-private platform to enable the players in the region to move towards cross-border credit reporting and risk management in an era of rapid digitalisation. (Khmer Times).

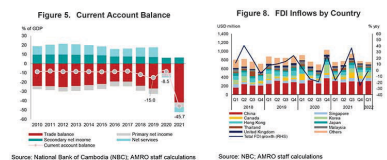
### NBC okays Acleda Bank to issue green bonds



Acleda Bank Plc has obtained approval from the National Bank of Cambodia (NBC) to issue and list green bonds on Cambodia Securities Exchange (CSX) for

investors to join the government's commitment to implement the environmental-friendly policy to achieve zero carbon emissions by 2050, according to a senior official of the bank. (Khmer Times).

### Kingdom's current account deficit likely to improve



Amid a significant pickup in the trade and economy in Cambodia, the current account deficit, which is more imports and less of exports, is expected to

improve, but it may remain high in 2022 at 35.1 percent of the gross domestic product (GDP), says the AMRO's 2022 Annual Consultation Report on Cambodia. (Khmer Times).

### Ministry's forum discusses economy role in green push



The Ministry of Environment on December 20 held a forum on the protection and conservation of natural resources under the theme

theme "Diversification of Businesses to increase the Local Economy", aiming to promote innovative business diversification. The forum was attended by officials from relevant state institutions, municipal and provincial authorities, community networks and partner organisations. (Phnom Penh Post).





# ពិធីល្បែងសាយភោជនប្រចាំឆ្នាំ ២០២២

## BANKERS' ANNUAL DINNER 2022

ថ្ងៃព្រហស្បតិ៍ ៧ រោច ខែចិស្តិ៍ ឆ្នាំគាល ចត្វាស័ក ព.ស. ២៥៦៦ ត្រូវនឹងថ្ងៃទី១៥ ខែធ្នូ ឆ្នាំ២០២២

Phnom Penh, 15 December 2022



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## ABOUT ABC

The Association of Banks in Cambodia was formed in 1994 and is recognized by the Royal Government as the official organization to represent the country's private banking sector. Our purpose is to promote constructive dialogue amongst member banks, and to serve as an industry voice to the public and the Government.

Our membership consists of local and foreign owned banks and branches. Membership in the Association is required under Chapter XXII of the Law on Banking and Financial Institutions, which states that all banks operating in Cambodia must belong "to a single professional association, whose Articles of Association shall have been endorsed by the supervisory authority."

The Association meets at least once a month and more often if required by urgent matters. The Association also has regular working committees that focus on specific issues. Since 1998, the Association has been an active member of the ASEAN Bankers Association and participates in all of its meetings and functions.

## CONTACT INFORMATION

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## COMMENTS AND SUGGESTIONS

The Association of Banks in Cambodia welcomes the articles from members. We also welcome any questions or suggestions concerning the articles or regulatory update in the Newsletter. For further inquiries, please feel free to contact:

Mr. Sok Chan  
Mail: [abc\\_fi@abc.org.kh](mailto:abc_fi@abc.org.kh)

## ABC COMMITTEES AND WORKING GROUP

1. Annual Events Committee
2. Compliance Committee
3. Education Committee
4. Financial Inclusion
5. Payments Committee
  - a. FinTech Working Group
  - b. QR Taskforce
6. PSWG-E
7. Risk Committee
8. Sustainable Finance Committee

## ABC'S MEMBERS

1. Commercial Banks: 60 Banks
2. Specialized Banks: 9 Banks
3. Representative Office: 6 Banks
4. Representative of MDI: 1
5. The Associations: 2

